COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PENDL	ETON COUNTY WATER)			
DISTRICT GAS DI	VISION, TO INCREASE)			
BASIC GAS RATES	, TO IMPOSE A)	CASE	NO.	8568
TEMPORARY GAS S	URCHARGE TO PAY ITS)			
SUPPLIERS AND MO	OTTON FOR INTERIM RATES	1			

ORDER DENYING REHEARING

On January 15, J.986, Columbia Gas Transmission Corporation and Columbia LNG Corporation (referred collectively as "Columbia") filed a petition for rehearing of the Commission's December 26, 1985, Order denying Columbia's motion for recharacterization of surcharge accounts. Pendleton County Water District, Gas Division, ("Pendleton") filed a response to the petition for rehearing on January 20, 1986, and requested the Commission deny Columbia's petition.

Having reviewed the pleadings, the evidence of record and being advised, the Commission HEREBY FINDS that no new evidence or argument has been raised by the petition for rehearing.

IT IS THEREFORE ORDERED that Columbia's petition for rehearing be and it is hereby denied.

Done at Frankfort, Kentucky, this 4th day of February, 1986.

PUBLIC SERVICE COMMISSION

Chairman Vice Chairman

Sommissioner Mullians

ATTEST:

Secretary